

# **Australian Premier Finance Holdings Limited**

**ACN 099 912 044**

**Financial Report for the  
Half-Year Ended 31 December 2013**

# Australian Premier Finance Holdings Limited

---

## Financial Report for the Half-Year Ended 31 December 2013

	Page
Directors' report	1
Auditor's independence declaration	2
Independent review report	3
Directors' declaration	5
Condensed consolidated statement of profit or loss and other comprehensive income	6
Condensed consolidated statement of financial position	7
Condensed consolidated statement of cash flows	8
Condensed consolidated statement of changes in equity	9
Notes to the financial statements	10

# Australian Premier Finance Holdings Limited

---

## Directors' Report

The directors of Australian Premier Finance Holdings Limited (the Company) submit herewith the financial report of Australian Premier Finance Holdings Limited and its subsidiaries (the Group) for the half-year ended 31 December 2013. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the Company during or since the end of the half-year are:

Name

- Mr Wayne Adsett  
Director
- Mr Kenneth Allen  
Director
- Mr Mark Ellis  
Director

The above named directors held office during and since the end of the half year.

### Review of operations

The principal activities of the Company and its controlled entities (the "Group") for the half year continued as a provider of finance in the automotive industry. During the half year there was no significant change in the nature of those activities. The directors have reviewed the business operations during which lending opportunities were considered under current legislation and practices. A full consideration was given to the opportunities and risks at this time.

The Company produced a profit after tax of \$65,669 (2012: profit after tax of \$38,240) for the half year ended 31 December 2013.

### Auditor's independence declaration

The auditor's independence declaration is included on page 2 of the half-year financial report.

Signed in accordance with a resolution of the directors made pursuant to s.306(3) of the Corporations Act 2001.



Wayne Adsett  
Director



Ken Allen  
Director

Newcastle, February 2014

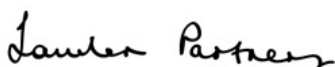
## Australian Premier Finance Holdings Limited

---

### Auditor's Independence Declaration under Section 307 of the Corporations Act 2001 to the Directors of Australian Premier Finance Holdings Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2013, there have been:

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review



**LAWLER PARTNERS**  
Chartered Accountants

Newcastle

Dated: 13 February 2014



**CLAYTON HICKEY**  
Partner

## Australian Premier Finance Holdings Limited

---

### Independent Review Report to the Members' of Australian Premier Finance Holdings Limited

#### Report on the Half Year Financial Report

We have reviewed the accompanying half-year financial report of Australian Premier Finance Holdings Limited (the consolidated entity) which comprises the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

#### Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Auditing Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Australian Premier Finance Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

---

## Australian Premier Finance Holdings Limited

---

### Independent Review Report to the Members' of Australian Premier Finance Holdings Limited

#### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

#### Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Australian Premier Finance Holdings Limited does not present fairly, in all material respects, the financial position of the consolidated entity as at 31 December 2013, and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the Corporations Act 2001, Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



**LAWLER PARTNERS**  
Chartered Accountants

Newcastle

Dated: 13 February 2014



**CLAYTON HICKEY**  
Partner

# Australian Premier Finance Holdings Limited

---

## Directors' Declaration

The directors declare that:

- (a) in their opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Wayne Adsett  
Director



Ken Allen  
Director

Newcastle, February 2014

# Australian Premier Finance Holdings Limited

---

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

### for the Half-Year Ended 31 December 2013

	Consolidated	
	Half-year ended	Half-year ended
	31 Dec 2013	31 Dec 2012
	\$	\$
<b>Continuing Operations</b>		
Revenue	1,389,228	1,421,162
Cost of sales	(180,791)	(426,453)
<b>Gross Profit</b>	<b>1,208,437</b>	<b>994,709</b>
Administrative costs	(351,547)	(308,710)
Finance costs	(488,260)	(446,313)
Bad and doubtful debt expense	(146,645)	(41,718)
Other expenses	(94,784)	(80,846)
<b>Total expenses</b>	<b>(1,081,236)</b>	<b>(877,587)</b>
<b>Profit before income tax expense</b>	<b>127,201</b>	<b>117,122</b>
Income tax expense	(61,532)	(78,882)
<b>Profit for the period</b>	<b>65,669</b>	<b>38,240</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>65,669</b>	<b>38,240</b>
<b>Earnings per share</b>		
From continuing operations:		
Basic (cents per share)	0.11	0.07
Diluted (cents per share)	0.11	0.07

Notes to the financial statements are included on pages 10 to 14.

# Australian Premier Finance Holdings Limited

## Condensed Consolidated Statement of Financial Position as at 31 December 2013

	Note	Consolidated	
		31 Dec 2013 \$	30 Jun 2013 \$
<b>Current assets</b>			
Cash and cash equivalents		279,542	349,957
Trade and other receivables		1,990,468	1,996,708
<b>Total current assets</b>		<b>2,270,010</b>	<b>2,346,665</b>
<b>Non-current assets</b>			
Trade and other receivables		4,674,829	4,052,626
Property plant and equipment		45,127	53,469
Deferred tax assets		124,035	185,567
Intangible assets		213,199	220,542
<b>Total non-current assets</b>		<b>5,057,190</b>	<b>4,512,204</b>
<b>Total assets</b>		<b>7,327,200</b>	<b>6,858,869</b>
<b>Current liabilities</b>			
Trade and other payables		52,664	53,153
Borrowings	5	4,131,357	3,816,297
Employee benefits		18,698	26,943
<b>Total current liabilities</b>		<b>4,202,719</b>	<b>3,896,393</b>
<b>Non-current liabilities</b>			
Borrowings	5	3,100,410	3,008,155
Employee benefits		27,633	23,552
<b>Total non-current liabilities</b>		<b>3,128,043</b>	<b>3,031,707</b>
<b>Total liabilities</b>		<b>7,330,762</b>	<b>6,928,100</b>
<b>Net liabilities</b>		<b>(3,562)</b>	<b>(69,231)</b>
<b>Equity</b>			
Issued capital		182,700	182,700
Reserves		(179,322)	(179,322)
Retained earnings		(6,940)	(72,609)
<b>Total equity</b>		<b>(3,562)</b>	<b>(69,231)</b>

Notes to the financial statements are included on pages 10 to 14.

# Australian Premier Finance Holdings Limited

## Condensed Consolidated Statement of Cash Flows for the Half-Year Ended 31 December 2013

	Consolidated	
	Half-year ended	Half-year ended
	31 Dec 2013 \$	31 Dec 2012 \$
<b><u>Cash flows from operating activities</u></b>		
Receipts from customers	458,961	695,145
Payments to suppliers and employees	(616,090)	(831,830)
Interest received	930,267	580,636
Interest paid	(330,502)	(299,513)
New loans issued	(1,855,629)	(2,204,851)
Loan payments received	1,093,021	1,646,896
Net cash used in operating activities	(319,972)	(413,517)
<b><u>Cash flows from investing activities</u></b>		
Acquisition of property, plant & equipment and intangible assets	-	(35,613)
Net cash used in investing activities	-	(35,613)
<b><u>Cash flows from financing activities</u></b>		
Net proceeds / (repayments) from borrowings	249,557	306,043
Net cash provided by financing activities	249,557	306,043
Net decrease in cash and cash equivalents	(70,415)	(143,087)
Cash and cash equivalents at the beginning of the half-year	349,957	861,367
Cash and cash equivalents at the end of the half-year	279,542	718,280

Notes to the financial statements are included on pages 10 to 14.

# Australian Premier Finance Holdings Limited

## Condensed Consolidated Statement of Changes in Equity for the Half-Year Ended 31 December 2013

Consolidated	Share capital	Acquisition Reserves	Retained earnings	Total equity
	\$	\$	\$	\$
Balance at 1 July 2012	182,700	(179,322)	(58,173)	(54,795)
Profit for the half-year	-	-	38,240	38,240
Dividends paid	-	-	-	-
Balance at 31 December 2012	182,700	(179,322)	(19,933)	(16,555)
Balance at 1 July 2013	182,700	(179,322)	(72,609)	(69,231)
Profit for the half-year	-	-	65,669	65,669
Dividends paid	-	-	-	-
Balance at 31 December 2013	182,700	(179,322)	(6,940)	(3,562)

Notes to the financial statements are included on pages 10 to 14.

# Australian Premier Finance Holdings Limited

## Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 31 December 2013

### 1 Summary of accounting policies

#### Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

#### Basis of Preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

#### Going Concern

At 31 December 2013, the consolidated entity has net liabilities of \$3,562 and net current liabilities of \$1,932,709. The entity has also forecast a need for additional working capital funding from April 2014. The consolidated entity has prepared the financial report on a going concern basis. The Directors consider the preparation of the financial report on a going concern basis as a result of consideration of the following:

- i) The Company has generated profit before tax for year ended 30 June 2013, and profit after tax for the half-year ended 31 December 2013;
- ii) As detailed in Note 5 "Borrowings", the \$3.194M of current liabilities is unlikely to be called upon at once;
- iii) The Company continues to identify additional funding options, those being a mix of share and external finance funding; and
- iv) The forecast need for further working capital funding is a result of the strategy undertaken by the Company to increase the number of loans held and issued. A reduction in the number of new loans issued would reduce the operating cash deficit forecast and therefore could return to the Company to an operating cash flow positive position, if necessary.

The financial report has been prepared on a going concern basis for the above reasons. Accordingly the financial report does not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

#### New Standards, Interpretations and Amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2013. However, the following amendments to accounting standards as a result of the annual Improvements to AASB come into effect during the period, however did not have any impact on the accounting policies, financial position or performance of the Group:

Summary of Change	Application date of standard
<b>AASB 10 - Consolidated Financial Statements</b>	1-Jan-13
AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 <i>Consolidated and Separate Financial Statements</i> dealing with the accounting for consolidated financial statements and UIG112 <i>Consolidation - Special Purpose Entities</i> . The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. Consequential amendments were also made to this and other Standards via AASB 2011-7 and AASB 2012-10.	
<b>AASB 11 - Joint Arrangements</b>	1-Jan-13
AASB 11 replaces AASB 131 <i>Interests in Joint Ventures</i> and UIG113 <i>Jointly-controlled Entities - Non-monetary Contributions by Ventures</i> . AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. Accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. Consequential amendments were also made to this and other Standards via AASB 2011-7, AASB 2010-10 and amendments to AASB 128.	

# Australian Premier Finance Holdings Limited

## Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 31 December 2013

### 1 Summary of accounting policies (cont'd)

#### New Standards, Interpretations and Amendments adopted by the Group (cont'd)

Summary of Change	Application date of standard
<b>AASB 12 - Disclosure of Interests in Other Entities</b>	1-Jan-13
AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.	
<b>AASB 13 - Fair Value Measurement</b>	1-Jan-13
AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. Consequential amendments were also made to other Standards via AASB 2011-8.	
<b>AASB 119 - Employee Benefits</b>	1-Jan-13
The revised Standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date and can result in changes to the measurement of some employee benefits.	
It also revises the accounting for defined benefit plans. The amendment requires that the liabilities arising from such plans are recognised in full with actuarial gains and losses being recognised in other comprehensive income. It also revised the method of calculating the return on plan assets. Consequential amendments were also made to other Standards via AASB 2011-10.	
<b>AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities</b>	1-Jan-13
AASB 2012-2 principally amends AASB 7 <i>Financial Instruments: Disclosures</i> to require disclosure of information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.	
<b>AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle</b>	1-Jan-13
AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements cycle. The Standard clarifies the following:	
<ul style="list-style-type: none"> <li>- Disclosure of segment assets and liabilities in interim financial statements is only required where the information is provided to the CODM and materially changed from the previous year end.</li> <li>- Repeat application of AASB 1 is permitted</li> <li>- Service equipment and spare parts are PPE, not inventory</li> <li>- The comparative information requirements when an entity provides a third balance sheet under AASB 101.</li> <li>- The tax effect of distributions and equity transaction costs should be recognised in equity.</li> </ul>	
<b>AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements</b>	1-Jul-13
The amendment removes the requirements in AASB 124 to disclose individual KMP remuneration, equity holdings, loans, and other transactions and balances in relation to disclosing entities that are not companies.	

# Australian Premier Finance Holdings Limited

## Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 31 December 2013

### 1 Summary of accounting policies (cont'd)

#### New Standards, Interpretations and Amendments adopted by the Group (cont'd)

Summary of Change	Application date of standard
<b><i>AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards</i></b>	1-Jan-13
This standard gives effect to many consequential changes to a number of standards arising from the issuance of the new consolidation and joint arrangements standard. [AASB 1, 2, 3, 5, 7, 9, 2009 11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	
<b><i>AASB 101 Presentation of Items of Other Comprehensive Income – Amendments to AASB 101</i></b>	1-Jan-13
These amendments arise from the issuance of the IASB Standard 'Presentation of Items of Other Comprehensive Income (Amendments to IAS 1)' in June 2011. The amendments requires entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments) and require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax).	
<b><i>AASB 101 Clarification of the requirement for comparative information (Amendment)</i></b>	1-Jan-13
Additional comparative information is not necessary for periods beyond the minimum comparative financial statement requirements of AASB 101. If additional comparative information is provided, the information should be presented in accordance with IFRS, including disclosure of comparative information for any additional statements included beyond the minimum comparative financial statement requirements. Presenting additional comparative information voluntarily would not trigger a requirement to provide a complete set of financial statements. An entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification which has a material effect on the information in the statement of financial position at the beginning of the preceding period would present the statement of financial position at the end of the current period and the beginning and end of the preceding period. Other than disclosure of certain specified information, related notes are not required to accompany the opening statement of financial position as at the beginning of the preceding period.	

### 2 Segment information

The company operates in one business segment that being to provide finance for the purchase of motor vehicles. The company operates predominately in one geographical segment that being Australia.

### 3 Dividends

	Half-year ended 31 Dec 2013		Half-year ended 31 Dec 2012	
	Cents per share	Total \$	Cents per share	Total \$
<b>Recognised amounts</b>				
Fully paid ordinary shares				
Final dividend paid	-	-	-	-
<b>Unrecognised amounts</b>				
Fully paid ordinary shares				
Interim dividend	-	-	-	-

### 4 Subsequent events

There has not been any other matter or circumstance that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

---

# Australian Premier Finance Holdings Limited

---

## Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 31 December 2013

### 5 Borrowings

On 30 September 2013, the Holders of the Redeemable Preference Shares ("RPS") issued by Australian Premier Finance Holdings Limited exercised their right to redeem the RPS at a redemption rate of \$1.00 per share. The Holders advanced all capital receivable and outstanding dividends payable to APF. Interest is payable on these loans at a rate of 10% per annum calculated quarterly in arrears. The total consideration on redemption including dividends payable was \$3,194,103. The principal and accrued interest is payable within 14 days of a request being made by the lender, and should a request be made by one lender it does not automatically follow that the entire advance from all lenders must be repaid. Only those amounts specifically requested must be repaid within 14 days of the request. Given the history of reinvestment by these lenders, the Directors consider it unlikely that the entire amount advanced would be called upon at once. Therefore the Directors do not consider the repayment terms to have an impact on the going concern assumption.

These loans have been classified as current in accordance with AASB101.

During the period, the Company received further funding of \$92,255 from the Superannuation Fund of Panama Inc, whilst incurring interest expense of \$301,498. This comprised of an additional advance of \$8,000 and reinvested interest of \$84,255. Of the total \$3,600,410 loan balance at 31 December 2013, \$500,000 has been classified as current in accordance with the terms of repayment.

In September 2012 APF obtained a new short term loan from MP Ellis Holdings Pty Ltd as trustee for the MP Ellis Superannuation Fund for the amount of \$200,000. The loan had an initial one year term with interest of 17%. The loan has been extended to 31 August 2014 with a two month notice period for repayment. The loan was secured by a fixed and floating charge over the company's assets ranking equally with the charges of Adsett and Associates and Superannuation Fund of Panama Inc.

In July 2013, APF obtained a new short term loan from Turner Family Nominees Pty Ltd as trustee for the Turner Family Super Fund to the amount of \$160,000. The loan has a one year term with interest of 17%. The loan was secured by a fixed and floating charge over the company's assets.

### 6 Change in accounting estimates

There has been no changes to accounting estimates in the half year ended 31 December 2013.

### 7 Contingent liabilities and contingent assets

There were no changes to contingent liabilities or contingent assets of the consolidated entity for the half year period to 31 December 2013.

### 8 Related party transactions

During the half year, the following transactions were conducted with related parties. All transactions are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated:

a) As disclosed above, APF have a loan of \$200,000 from MP Ellis Holdings Pty Ltd as trustee for the MP Ellis Superannuation Fund (a fund associated with Mr M Ellis). Interest of \$17,000 was paid during the half year to 31 December 2013 in respect of this loan. The total amount owing as at 31 December 2013 was \$200,000.

b) As disclosed above, APF have a loan of \$160,000 from Turner Family Nominees Pty Ltd as trustee for the Turner Family Super Fund (a fund associated with Ms C Turner). Interest of \$12,004 was paid during the half year to 31 December 2013 in respect of this loan. The total amount owing as at 31 December 2013 was \$160,000.

c) APF have a loan of \$100 from Adsett & Associates (a company associated with Mr W Adsett).

d) APF paid rent and outgoings of \$45,532 for premises owned by Pensioner Financial Services Pty Ltd, a company controlled by Mr K Allen.

e) Adsett & Associates Ltd, a company controlled by Wayne Adsett, a director, provided financial management services to the value of \$31,500.

f) Adsett & Associates Limited held 192,369 \$1 redeemable preference shares and total interest accrued of \$62,082. These shares were redeemed on 30 September 2013 and converted to a current loan with APF with interest accrued at 10%. The total interest payable on the loan was \$5,725 as at 31 December 2013. The total loan payable was \$260,176 at 31 December 2013.

---

# Australian Premier Finance Holdings Limited

---

## Notes to the Condensed Consolidated Financial Statements for the Half-Year Ended 31 December 2013

### 8 Related party transactions (Cont.)

g) K & J Allen held 680,192 \$1 redeemable preference shares and total interest accrued of \$219,512. These shares were redeemed on 30 September 2013 and converted to a current loan with APF with interest accrued at 10%. The total interest payable on the loan was \$22,492 as at 31 December 2013. The total loan payable was \$922,196 at 31 December 2013.

h) MP Ellis Holdings Pty Limited held 396,709 \$1 redeemable preference shares and total interest accrued of \$128,027. These shares were redeemed on 30 September 2013 and converted to a current loan with APF with interest accrued at 10%. The total interest payable on the loan was \$13,118 as at 31 December 2013. The total loan payable was \$537,854 at 31 December 2013.

i) Northview Group Limited, a company associated with Mr W Adsett, held 291,667 \$1 redeemable preference and total interest accrued of \$94,127. These shares were redeemed on 30 September 2013 and converted to a current loan with APF with interest accrued at 10%. The total interest payable on the loan was \$8,680 as at 31 December 2013. The total loan payable was \$394,474 at 31 December 2013.

j) Texbon Pty Limited, a company controlled by Mr K Allen, earned \$60,886 during the half year ended 31 December 2013 for services rendered. The company was an outstanding debtor of APF's at 31 December 2013 for \$30,885.

k) Lemon Tree Car Sales, a company associated with Mr K Allen, earned \$5,527 during the half year ended 31 December 2013 for services rendered. The company was an outstanding debtor of APF's at 31 December 2013 for \$44,044.

l) Company secretarial fees of \$15,116 were paid to Mr Andrew Whitten.